

# USER'S MANUAL

## FEDERAL AID MASTER (FM) DOCUMENT

### A. Introduction

This manual is intended for use by personnel responsible for the financial and programmatic management of federal programs and by persons responsible for data input.

Any questions regarding this manual should be directed to the Federal Aid Coordinator at the Office of Management and Budget 739-4206.

### B. Purpose

The purpose of the Federal Aid Master (FM) document is to enter data in the Delaware Financial Management System (DFMS) - Grants Module to enable state agencies to track federal funds.

### C. Definition of Terms

1. **Direct Grants** are funds received by a state agency directly from the federal government to run a specific program catalogued in the Catalog of Federal Domestic Assistance (CFDA). These funds are tracked in an NSF line, Fund 225, 910, Type 40, APPR 1000 - 4799.
2. **Reimbursable Grants** are funds received for programs to be operated on a reimbursable basis as **MANDATED BY FEDERAL LAW**. The state must cover payment of bills before reimbursement can be requested from the federal agency. These funds are tracked in an NSF line, Fund 225, 910, Type 40, APPR 1000 - 4799, APPR short name preceded by a slash "/."
3. **Indirect Grants** are funds received by a state agency derived from a catalogued federal program from a private, non-profit agency, local government or the University of Delaware. The funds must be tracked in an NSF line, Fund 225, 910, Type 40, APPR 1000 - 4799.

**The first character of the 8-character State Application Identifier (SAI) should be the letter "N."**

4. **Subgrants** are funds passed through from one state agency to another state agency. Expenditures are tracked in the grants module at the subgrantee level only. The Cash Adjustment (CA) document is used to pass the funds through from the grantee to the subgrantee. These funds are tracked in an NSF line, Fund 225, 910, Type 40, APPR 1000 - 4799.

5. **Contracts** - Two situations can present themselves:

- a. A state agency receives funds derived from a catalogued federal grant from another state agency to perform a service under contract/supply a deliverable. The funds must be tracked in an NSF line, Fund 100, Type 20, APPR 4900 - 4999. The Intergovernmental Voucher (IV) document is used to move the funds from the contractor to the contractee.
- b. A state agency receives funds from a federal agency to perform a service under contract or cooperative agreement or to supply a deliverable. **Though the funds are federal, they are derived from a federal agency's operations budget or from a source which is not (and never will be) catalogued in the CFDA.** Therefore, the funds must be tracked in an NSF line, Fund 100, Type 20, APPR 4800 - 4899.

D. **Grants Module Users**

Only those state agencies receiving grants (Direct, Indirect or Reimbursable) and/or subgrants will track the funds in the federal grants module. Funds received through a contract will not be tracked in the grants module. (See Item 5.a. and b., above.)

E. **Process**

1. Grants

- a. **FM** - The state agency will submit an application through the Single Point of Contact (SPOC). Upon approval from the Delaware State Clearinghouse Committee (DSCC), the state agency will prepare an FM document. Once written verification of a grant award is received from the federal government, the FM document will be entered into the DFMS by the state agency and forwarded along with a copy of the grant award to the Office of Management and Budget, SPOC, who will process the FM and set up a federal appropriation.
- b. **Appropriation** - The appropriation(s) will be loaded with total Estimated Receipts equal to the grant award amount. Based solely on these Estimated Receipts, Payment Voucher (PV), Intergovernmental Voucher (IV) and Payroll (PR) documents will process - it is not necessary to have cash in the account in order for documents to process.
- c. **Preloading**
  - (1) On-going grants may be preloaded in the system prior to the state agency having received written approval notification from the federal government. To qualify for preloading, the grant must

have been **approved by the DSCC** and the agency must demonstrate need for early loading (such as, avoiding payroll kickers or loading a contract). For those grants that meet the Cash Management Improvement Act (CMIA) threshold, based upon the current Cash Management Improvement Act Agreement, the state agency must go through the SPOC review process in a timely manner, to enable the state to claim interest against a federal agency who delays a grant awarded.

- (2) The preloaded FM budget and the Appropriation Estimated Receipts will equal the amount allotted to Delaware (if known) or the amount approved by the DSCC. The matter of the amount to be preloaded may require case by case consideration.
- (3) To safeguard against abuse, the system will allow no more than 15% of the Estimated Receipts (percentage is negotiable) to be expended and reflected as a negative unexpended balance for each appropriation. This control will be in place until federal authorization to spend (a grant award) is received. When preloading a grant, the draw down date and the Grant ID fields on the FM should be left blank as authority has not been received to draw funds. It is important to remember therefore, that funds should not be drawn nor Cash Receipts documents coded against the spending lines for the grant. **When official notification has been received awarding the grant, the state agency must prepare and enter an FM modification to enter the federal grant ID number and to adjust the budget and Estimated Receipts - if necessary.**

- d. ***Reimbursable Grants*** - Reimbursable grants, as defined above, will be tracked in the grants module in the same way as the grants. See E.1.a. and b. The appropriation will show a negative unexpended balance that will decrease once reimbursement has been credited to the account. Once the grant is completed, the unexpended balance should be zero. True reimbursable grants should never have a positive unexpended balance.

## 2. Subgrants

Keeping in mind the definition of the term, the state agencies listed below currently pass through funds via a subgrant:

- Department of Education (DOE) to state agencies and school districts (education programs)
- Department of Health and Social Services to the Department of Services for Children, Youth and Their Families (Social Services Block Grant and Block Grants for Prevention and Treatment of Substance Abuse)
- Department of Labor/ Division of Employment and Training to various state agencies

- Criminal Justice Council to various agencies
- Office of Highway Safety to various agencies

## **F. Step by Step Instructions for Preparing the FM for Data Entry**

### **1. ACTION**

Use "E" when originally establishing a grant/subgrant in the DFMS.  
Use "M" when modifying an existing grant/subgrant.

### **2. FM DATE**

Use the date the document is prepared. The date (MMDDYY) must exist in the Calendar Date Table.

### **3. DEPARTMENT**

Use appropriate department budget code from the Department Reference Table of the recipient of the grant/subgrant. Two (2) characters.

### **4. ORG (APU, IPU)**

Division and budget unit code from the Organization Table of the recipient of the grant/subgrant for Zero Base Budget Departments/Agencies. Four (4) characters.

Appropriation Unit and Internal Planning Unit from the Organization Table of the recipient of the grant/subgrant for Strategic Planning and Budget Process Departments/Agencies. Four (4) characters.

When a grant is split between two or more ORGs or APU/IPUs, enter the ORG or APU/IPU designated to receive the federal reports; or leave this field blank and the reports will be sent to the central (controller) office of the department/agency.

### **5. FISCAL YEAR**

Based on the Delaware state fiscal year, use the current fiscal year at the time of **entry** of the grant/subgrant. Two (2) characters.

For a modification, use the fiscal year in which the grant/subgrant was **originally** established. Two (2) characters.

### **6. SPOC USE ONLY**

## **7. STATE APPLICATION IDENTIFIER (SAI)**

An 8-, 9- 10- or 12-character identifier assigned by the SPOC. An 8-character SAI is assigned to a grant; a 12 character SAI is assigned to a subgrant. In most cases, the 8-character SAI will have been assigned at the time the program manager applied to the federal agency. It is the responsibility of the state grantee agency to provide the subgrantee with the correct/current SAI which was assigned by the SPOC. The subgrantee must contact the SPOC to secure the last four characters of the SAI. The SAI should be entered in DFMS as a single number without dashes.

State agencies and school districts receiving subgrants from the DOE will receive their 12-character SAI directly from DOE.

State agencies receiving subgrants from the Department of Safety and Homeland Security/Office of Highway Safety will receive their 12-character SAIs directly from Office of Highway Safety.

For those state agencies that will use a Tree Diagram, the 9- and 10-character SAIs will be developed by the fiscal officers according to the Tree Diagram.

## **8. PROJECT TITLE**

Use the title of the project grant/subgrant. The title must reflect the use of the funds. Thirty (30) characters.

## **9. FEDERAL CATALOG NUMBER (CFDA)**

Use the five (or six) digit number assigned to the program, as listed in the CFDA. If the CFDA number is not known, contact the federal agency, the state program manager or the SPOC.

If a program has not been cataloged, give the first two (2) digits which represent the federal department as per the Federal Agencies' Code Numbers List followed by three (3) zeros. As soon as it is known that the program has been cataloged, the CFDA should be corrected in the system. If a program will not be cataloged, use the first two numbers of the federal department followed by three (3) Xs.

## **10. R/D INDICATOR**

When entering the FM on the system, it will be necessary to indicate a Y if the grant will be 100% Research and Development and an N if the grant is not 100% Research and Development. This field has been added to the FM based on information necessary to be captured as part of a requirement in completing audits of federal programs. Please contact the Auditors office for a definition of Research and Development.

## 11. FEDERAL BUDGET PERIOD

START DATE:

END DATE:

Use the budget period **as it appears** on the federal notification of funding award for both Start and End dates.

## 12. DFMS PERIOD

START DATE - use the same start date as Item 10. above (the federal budget period). Subgrant start date should be the same as the start date on the statement of subgrant award.

END DATE - allow sufficient time beyond the federal budget period to clear obligations associated with the grant (approximately 90 days). Subgrant end dates should be 90 days beyond the end date on the statement of subgrant award (as a general rule). Any end date extensions for a subgrant must be approved by the state agency who subgranted the funds.

## 13. DATE OF FEDERAL AUTHORIZATION TO DRAW DOWN FUNDS

Use the date the federal agency gives authorization to begin drawing funds.

## 14. GRANT ID NUMBER

Use the federal grant award number **as it appears** on the federal notification of funding award - **including dashes and other special characters**. Twenty eight (28) characters.

## 15. SOURCE OF FUNDING

**Federal Funds** - Use dollars and cents amount of federal grant/subgrant award. For preloaded grants, use the amount of federal dollars allotted to Delaware (if known) or amount approved by DSCC. Use decimal points - do not use commas.

**Carry Over** - Unobligated or unexpended dollar amount from previous grant year(s) allowed by a federal agency to be carried over to the next fiscal year(s). Use decimal points - do not use commas.

**Project Income** - Dollar amount generated from fees charged or services rendered to users by a state agency - related to a federal program or project. One example of project income is the Division of Fish and Wildlife programs run for the U.S. Department of the Interior. Use decimal points - do not use commas. Effective July 1, 1994, the following revenue codes must be used for grants:

7001 - Federal Grants

7002 - Federal Project Income

7005 - Title IV-E

7101 - Non-Federal Grants

**State Funds** - If using reporting categories to track required and/or discretionary General Funds, Appropriated Special Funds (ASF), Bond monies within a grant/subgrant, use dollars and cents amounts appropriated. Use decimal points - do not use commas.

**Other Funds** - If using reporting categories to track required and/or discretionary other funds within a grant/subgrant, use dollars and cents, as needed. Other funds include local funds for school districts, tuition funds for DTCC and DSU, donations, gifts, bequests, non-federal grants, etc. Use decimal points - do not use commas.

**Total** - Use the sum of all funding sources in dollars and cents. Use decimal points - do not use commas.

**I/D** - The letter "I" stands for increase. The letter "D" stands for decrease. The system automatically defaults to an increase "I." When a modification to an existing FM is made **to decrease the budget, you must use a "D."**

## 16. APPROPRIATION (AA) INFORMATION

The AA is prepared by the grantee/subgrantee. The SPOC enters the AA in the system.

**AA ID Number** - SPOC use only.

**Fiscal Year** - Based on the Delaware state fiscal year, use the current fiscal year at the time of **entry** of the grant/subgrant. Two (2) characters.

For a modification, use the fiscal year in which the grant/subgrant was **originally** established. Two (2) characters.

**Organization** - Division and budget unit code from the Organization Table of the recipient of the grant/subgrant for Zero Base Budget Departments/Agencies. Four (4) characters.

Appropriation Unit and Internal Planning Unit from the Organization Table of the recipient of the grant/subgrant for Strategic Planning and Budgeting Departments/Agencies. Four (4) characters.

**Appropriation Number** - Choose a four digit number **between 1000 and 4799** unique to the Organization (APU/IPU). DPI assigns the appropriation (APPR) number for grants and subgrants to school districts.

**Appropriation Name** - Choose a title for the APPR which reflects the use of the funds. Thirty (30) characters.

**Short Name** - Abbreviate the APPR name. Twelve (12) characters.

**Amount** - Use the amount of federal estimated receipts for the APPR.  
Use dollar and cents - do not use commas.

**I/D** - See Item 14. above.

17. **SIGNATURE OF AUTHORIZING OFFICIAL AND TELEPHONE NUMBER**

The department/agency determines who is authorized to sign the FM document. Please give a telephone number of the person who signed the document and who is familiar with the grants module.

18. **FOR SPOC USE ONLY**

19. **BUDGET**

**Reporting Category** - Use a 4-digit (alpha, numeric) code assigned by the department/agency for budget lines or reporting requirements. DOE assigns the reporting categories to all school districts.

The reporting category must be unique to the department/agency. Please refer to the PMTI RPTG (Reporting Category Table) in DFMS to avoid duplication of reporting categories within a department. A duplication of reporting categories will be reflected as an error when keyed into the system.

**Status** - Use "O" (for open) when originally entering a reporting category. The option exists to modify the "O" by entering a "C" (for closed) when a reporting category should no longer be accessible.

**Avail(able) Funds** - Use "Y" (for yes) when spending controls are needed within the reporting category (budget line). Use "N" (for no) when spending controls are not needed within the reporting category (budget line).

**Description** - Use either conventional budget lines (i.e., salaries and OECs, travel, supplies, etc.) or program activities (i.e., administration, planning, training, etc.). Refrain from using one budget line, or meaningless lines such as "federal grant." Thirty (30) characters.

**NOTE:** State agencies (except DOE) should use one reporting category for **both** salaries and OECs.

**Amount** - Use dollars and cents amount for each budget line or program activity, as needed. Use decimal points - do not use commas. The total of the reporting categories should equal the source of funding section, item 14, on the FM.



*IID* - See 14. above.

## G. FM Data Entry

### 1. Original Entry

After accessing the start up screen in DFMS, enter an "s" in the action field at the top of the screen and an "n" in the function and space through the fields to enter the document ID. **DO NOT BATCH THE FM.** Enter the document ID information as follows:

- \_ Transaction Code: FM
- \_ Department Code: Your department two digit number
- \_ ID Number: Eleven (11) characters are available to identify your document. You do not have to use all 11 characters, six or fewer will suffice.

Key the information on the FM screen based on the written copy of the FM.

After entering both screens of the FM, go to Action and type in "ED," Return, for a quick edit. If no errors appear, apply your approval by typing "A+", Return. Type "HD" next to Action, Return, to put the document on Hold. Forward the FM and a copy of the grant award to the SPOC for processing.

**NOTE:** You cannot space over a reporting category line to delete it. You must go to the second page of the FM and type "DL" (delete line) in the Action, move the cursor down to the line you need to delete and touch the space bar once (so that you are in the second position in that line) and press Return. That will remove the line. Be sure to quick edit the document by typing "ED" in the Action to verify that there are no errors, before applying your approvals and putting the document back on hold.

### 2. Modification

To modify the information originally entered into the system, fill out the FM document as follows:

Block 1. Action - Enter "M" for modification.

Block 2. FM Date - Enter the date the FM modification was prepared.

Block 3. through Block 7. Enter the same data as that of the original entry.

From that point on:

## **ENTER ONLY THE DATA THAT NEEDS TO BE CHANGED**

For modifications in the reporting categories, enter only the 4-digit (alpha, numeric) reporting category and the dollars and cents amount increase and/or decrease.

If you need to change the title of the reporting category or add a new reporting category, the description and all other fields under Item 19 must be entered.

If you need to extend an end date, only enter the "End Date" field that needs to be extended. Be sure to list the appropriate APPR number(s) to be extended under Block 15.

**\* Provide documentation to support changes in dollar amounts or extension of end dates with the FM modification. If documentation is not available, please provide a detailed explanation of the request in the remarks section of the FM document.**

For any problems experienced in the entry or modification of an FM, please call the Single Point of Contact at 302-739-4206.